



Municipal Services Branch

Village of Thorhild Dissolution Study

September 2003



VILLAGE OF THORHILD DISSOLUTION STUDY

Introduction

In February of 2003, the Minister of Municipal Affairs (Minister) received a petition from electors of the Village of Thorhild asking for a dissolution study. Section 130 of the Municipal Government Act (MGA) requires a dissolution study if the Minister receives a sufficient petition from electors requesting a study. The petition was declared sufficient and the Minister initiated the dissolution study process.

What is dissolution?

Dissolution is the legal process of dissolving one municipal corporation and joining it with another municipal corporation.

The Village of Thorhild is a municipal corporation providing local government and municipal services to residents. If the village dissolves, it would join with the municipal corporation of the County of Thorhild No. 7 (county). The county would then provide local government and municipal services to village residents.

What is a dissolution study?

A dissolution study is a written report that in part:

- ☐ describes the current situation in the village;
- ☐ compares the village's financial information to other villages with similar populations;
- ☐ provides current information on municipal services and what change may occur if the village joins the county; and
- ☐ estimates the difference between village and county tax rates and municipal cost for 2003.

Please note: A dissolution study is not an audit or inquiry into the operation of the municipality.

Where does the Ministry get the information for the study?

The Ministry gathers information from:

- ☐ municipal councils;
- ☐ municipal administrations;
- ☐ public; and
- ☐ ministry records.

What happens when the study is complete?

Residents will receive the following:

- ☐ a copy of the study;
- ☐ notice of the date, time and location of a public meeting when Municipal Affairs will present the study and answer residents questions; and
- ☐ notice of "Vote on a Bylaw or Question" giving the time, date and location of the vote on the question of dissolution.

What is the current situation in the village?

The Village of Thorhild also known to its residents as the "Sunflower Village" incorporated in 1949 from what was then the Municipal District of Smoky Lake No. 89.

The village is a focal point for commerce and community activities. The village's commercial sector includes such services as specialized retail, banking, postal service, restaurants and grocery stores to name a few.

The village's population declined 4.9% from 486 to 462 between 1996 and 2001 according to Statistics Canada census data. Declining population may lead to problems with providing and paying for municipal services.

The village provides a range of services typical of municipalities including water and sewer, natural gas, garbage collection, police, fire and ambulance.

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The village relies primarily on the property tax and the sale of goods and services to fund its operations.

The existing water and sewer lines date back to the 1970's. Despite the age of the underground utilities, there is no evidence of system failure or major problems. The village is involved in a Municipal Infrastructure Management System (MIMS) pilot project. Once implemented, the system will assist in the planning of repair and replacement of the village's infrastructure including the underground utilities.

The village's equalized assessment base declined eight percent from \$14,035,418 to \$12,917,086 between 2000 and 2003. The 2003 equalized assessment base consists of 70% residential and 30% non-residential assessments.

The village is managing financially. The 2002 financial statements show financial assets of \$700,357 and liabilities of \$285,951 including long-term debt.

Comparative information

This section compares some of the village's financial indicators to 18 other villages (the group) with populations varying between 401 and 550. The comparatives use the median of the group as the base line. Median is the middle point between the high and low values for the group. Use caution when interpreting the results because each municipality may have unique characteristics affecting how it compares to the group.

Residential equalized tax rate

The residential equalized tax rate for the village exceeded the group median since 1996. For 2001, the village residential equalized tax rate of 25.5 mills was 17 percent higher than the group median of 21.7 mills.

Nonresidential equalized tax rate

The equalized non-residential tax rate for the village exceeded the group median since 1996. For 2001, the village nonresidential equalized tax rate of 31.5 mills was 31 percent higher than the group median of 24 mills.

Reserves per capita

The reserves per capita for the village have exceeded the group median since 1996. For 2001, the village reserves per capita of \$564 were 86 percent higher than the group median of \$303. Healthy financial reserves help a municipality to plan for the future repair and replacement of infrastructure.

Long term municipal debt per capita

The village's long-term debt per capita has been above or below the group median since 1996. For 2001, the village long-term debt per capita of \$234 was 2 percent higher than the group median of \$230.

In 2003, the village borrowed \$391,520 to pay for paving portions of second and seventh avenues. The debt payments will start in 2004 and will end in 2018. Although this borrowing increases the long-term debt per capita, the village is still within the regulated limits.

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Services and Community Issues	Current situation in the village	What residents can expect if the village joins the county
Representation	Village residents elect a five-member council at large. This means that each councilor represents all the residents of the village and not residents of a specific area. At the annual organizational meeting, council appoints a member of council to act as mayor for the upcoming year.	The county has 5 electoral divisions. County residents elect a member in each electoral division. This means that each councilor represents the residents of a particular electoral division. At the annual organizational meeting, council appoints a member of council to act as reeve for the upcoming year. Reeve Henry Zolkewski the councilor for electoral division 3 would represent village residents. The county would expect to undertake an electoral boundary study before the 2007 municipal election.
Council meetings	Village council holds one regular council meeting per month. Council meetings are open to the public to listen and observe. If members of the public wish to speak to council they would normally contact the village administration to be placed on a meeting agenda.	County council holds two meetings per month. The regular county council meeting is on the second Tuesday of the month. The Public Services Board meets on the fourth Tuesday of the month. Both meetings are open to the public to listen and observe. If members of the public wish to speak to council they would normally contact the county administration to be placed on a meeting agenda.
Village office	The village office is the resident's community contact point for local government services. The building houses the: ☐ administration; ☐ public works shop; ☐ family and community support services; ☐ fire department; ☐ library; ☐ museum; ☐ dentist office; and ☐ lawyer office.	The county office is located in the village and is the county residents community contact point for local government services. The county would close the portion of the existing village office that serves the village administration. Residents would use the county office as the community contact point for local government services. The other uses of the village office building would continue.
Information	Village residents can contact any of the five councilors directly or contact the village office to obtain information about village services.	County residents can contact their divisional councilor directly or contact the county office to obtain information about county services. The county would provide the village residents with an information package outlining the services the county provides and how to contact the service providers.

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Services and Community Issues	Current situation in the village	What residents can expect if the village joins the county
Paying tax and utility bills	Residents can pay utility bills at the village office, Alberta Treasury Branch, Bank of Nova Scotia and through internet banking. Residents pay their taxes at the village office.	Residents can pay tax and utility bills at the county office. The county is in the process of establishing an electronic payment system.
Employees	The village employs four full-time staff and two permanent part-time staff. The employees provide council support, administration, and municipal services to village residents. The village has no plans to increase its staff.	The county employs approximately 50 permanent staff to provide council support, administration, and municipal services to county residents. Employees of the village would become employees of the county.
Assets and Liabilities	The 2002 audited financial statements show the village had financial assets of \$700,000 and liabilities including long-term debt of \$285,951. The village also has other assets such as buildings, land and equipment.	The assets and liabilities of the village would transfer to the county. The Order in Council dissolving the village would contain a provision that the county must place surplus funds (assets minus liabilities) in a separate reserve. The county would then use those funds to benefit the former village.
Village Debt	The village's long-term debt was \$83,914 at December 31, 2002. Annual payment on this debt is \$35,529 in 2003. To pay the annual debt payments the village raised \$23,586.29 from utility rates, \$5,718.83 from frontage tax and \$6,223.88 from the general tax levy. The existing debt will retire in 2004, 2005 and in 2006. The village added new debt in 2003 by borrowing \$391,520 to pay for paving portions of 2nd and 7th Avenue. The term of the loan is 15 years with annual payments of \$38,682.05. A special tax on properties abutting the improvement pays approximately \$4,250 annually and the general village tax rate pays the remaining \$34,432.05.	The village's debt would transfer to the county. However, the property owners in the village will still have to pay any existing debt. The county would assess a special levy on all village properties to cover any existing debt. The existing debt requires an approximate mill rate of .428 mills until 2004. The new 2003 debt requires an approximate mill rate of 2.369 until 2018. Please note: Property owners currently paying a special benefit tax or local improvement tax would continue to do so at the same rate until the debt is repaid. The mill rates only reflect the public portion of the debt repayment not covered by a special benefit assessment or local improvement tax.
Police	The RCMP from the Redwater detachment provides policing services. The village contributes \$2,000 per year toward a clerical position at the Redwater detachment.	The RCMP from the Redwater detachment provides policing services for a portion of the county. The county contributes \$5,500 toward a clerical position at the Redwater detachment. The county would pay an additional \$2,000 toward a clerical position at the Redwater detachment.

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Services and Community Issues	Current situation in the village	What residents can expect if the village joins the county
Fire	Village of Thorhild Volunteer Fire Department provide fire suppression services to the village and acts as first responders to a portion of the county. The village provides an annual grant to the fire department of \$2,700 and pays for equipment and repairs on an as needed basis. The county provides an additional \$500 and provides some items of equipment and supplies on an annual basis. The volunteer firefighters also help by fund raising.	The county would provide the same level of support to the Thorhild Volunteer Fire Department as the village.
Ambulance	The village has a contract with Medi Care Ambulance Service to provide ambulance services for \$11 per capita per year until 2005. General revenues pay the cost of providing the service.	The county has a contract with Medi Care Ambulance Service to provide ambulance services for \$11 per capita until 2005. The county charges a separate tax rate for ambulance service. Village property owners would pay the same tax rate as the rest of the county for ambulance service.
Disaster and 911 services	The village has a disaster services plan. The village has 911 services for police, fire, and ambulance emergencies. Strathcona County provides dispatch services for the village. Residents pay a fee on their telephone bill for the service.	The county would upgrade its disaster services plan to include the village. The county has 911 services for police, fire, and ambulance emergencies. Strathcona County provides dispatch services for the county. Residents pay a fee on their telephone bill for the service.

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Services and Community Issues	Current situation in the village	What residents can expect if the village joins the county
Bylaws and bylaw enforcement	The village has bylaws governing specific administrative areas and activities. The village contracts a bylaw enforcement officer for up to 5 hours per week. The bylaw officer is responsible to administer the following bylaws: ☐ dog control; ☐ unsightly property; ☐ abandoned vehicles; ☐ noise; ☐ sidewalk snow removal; ☐ Business License; and ☐ obstruction of thoroughfares.	Village bylaws remain in force and take precedence until the county council repeals or amends them. The county contracts the same bylaw enforcement officer. The county would expand the contract hours to include the work done in the village. The bylaw enforcement officer would be responsible to administer the following bylaws in the village: ☐ dog control; ☐ unsightly property; ☐ abandoned vehicles; ☐ noise; ☐ sidewalk snow removal; ☐ business License; and ☐ obstruction of thoroughfares.
Roads	The village roadways are a mix of gravel and asphalt surface. Public works performs summer maintenance using its own staff. The village policy on winter maintenance establishes a benchmark of 6" of snowfall before plowing and sets the priorities as: ☐ ambulance departure route; ☐ seniors lodge route; ☐ downtown core; ☐ residential roadways; ☐ community hall parking lot; and ☐ back alleys and lanes. Sources of funding for capital projects include: ☐ Street Improvement Program; and ☐ Canada Alberta Infrastructure Partnership Program.	The county roadways are a mix of gravel and asphalt surface. Public works performs summer maintenance using its own staff. The county does winter maintenance on an as needed basis according to its policies and priorities. The county's current priorities for snow plowing are: ☐ paved roads; ☐ bus routes; ☐ and hamlets. The county's policy for winter maintenance on all roads is, ☐ If significant snowfall, one lane is cleared initially; ☐ If minor snowfall, both lanes are cleared; and ☐ medical emergency routes have an over-riding priority. Sources of funding for capital projects include, ☐ Hamlet Street Assistance program; and ☐ Canada Alberta Infrastructure Partnership Program.

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Services and Community Issues	Current situation in the village	What residents can expect if the village joins the county
Sidewalks	The village performs summer maintenance on sidewalks. Snow removal is the responsibility of the property owner. If after 72 hours snow and ice is not removed from the sidewalks the village may do the work and charge the cost back to the landowner. On request, the village may clear private driveways if it has the resources. The landowner may have to pay the cost. The village utilizes the Streets Improvement Program grant and general revenue for sidewalk improvement projects.	The county performs summer sidewalk maintenance in hamlets. The county does not have a snow clearing policy for sidewalks. Upon request, the county clears snow from driveways for a \$15 fee. The county utilizes the Hamlet Street Assistance Program grant and general revenue for sidewalk improvement projects.
Street Lights	Aquila owns and maintains the village streetlights. The annual cost for street lighting is approximately \$28,000. The village pays the cost of street lighting from general revenues.	The county pays the cost of street lighting in hamlets from general revenues.
Utility rates	Utilities include water, sewer, municipal waste and gas. The normal practice of the village is to recover the cost of the service from the users. The exception to the practice is garbage collection. General revenues pay for the cost of collection and disposal of garbage. The rates for water and sewer were sufficient to cover the operating costs and the payment on the utility debt in 2002. The rates for natural gas were sufficient to cover the operating costs of the service in 2002. Natural gas rates would be subject to the normal market fluctuations.	The county's normal practice is to recover the cost of utilities from the users. Rates for water and sewer services would not change as long as the rates reflected the cost of providing the service and payment of the utility debt. The county would add a \$6 dollar per month fee to residents' utility bill to cover the cost of once a week curbside pick-up of residential and commercial garbage. The county would provide an additional pickup of commercial garbage but would bill the customer an extra fee for the service. Natural gas rates would be subject to the same market fluctuations in the county as in the village.

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Services and Community Issues	Current situation in the village	What residents can expect if the village joins the county
Water Supply and Distribution	The village and the county are the only members of the Thorhild Regional Water Services Commission (commission). The commission supplies water to the village's reservoir. Water rates the commission charges its customers reflect cost recovery including payment of the long-term debt of the commission. The village's chief administrative officer manages the commission on behalf of the members. Village personnel are available 24 hours per day 7 days per week for emergencies. Sources of funding for future capital projects include, ☐ Grants; ☐ utility rates; and ☐ local improvement tax.	The legislation does not permit a regional commission of only 1 party. This means the commission would dissolve and the county would assume the duties of the commission including the debt repayment. The commission charges the village and the county the true cost of the water supply that includes repayment of the long-term debt. Currently, the county operates water systems in 4 hamlets. The county would operate the village water system. County personnel would be available 24 hours per day 7 days per week for emergencies. Sources of funding for future capital projects include: ☐ grants; ☐ utility rates; and ☐ local improvement tax.
Wastewater Collection and Treatment	The village operates a lift station and lagoon system for collection and treatment of wastewater. Village personnel are available 24 hours per day 7 days per week for emergencies. Sources of funding for future capital projects include: ☐ grants; ☐ utility rates; and ☐ local improvement tax.	The county currently operates 5 other sewer systems in hamlets. The county would operate the village system. County personnel would be available 24 hours per day 7 days per week for emergencies. Sources of funding for future capital projects include: ☐ grants, ☐ utility rates, and ☐ local improvement tax.

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Services and Community Issues	Current situation in the village	What residents can expect if the village joins the county
Waste Management	The village and the county are the only two members of the Thorhild Regional Waste Management Services Commission (commission). The commission is relatively new and does not have a landfill site or transfer station system in place. The village currently offers once a week curbside pick up of household and commercial garbage per week. There is an extra fee if a customer wants more than one pickup per week. General revenues pay for the cost of curbside pickup of waste and its disposal at the village landfill. The village funds 100% of a paper-recycling program. The village and the county share a toxic roundup program.	The legislation does not permit a regional service commission of only one party. The commission would dissolve and the county would assume the duties of the commission. The county would look to recover the cost of curbside pickup from the village residents. The county charges a fee in other hamlets for garbage pickup. In the village, the county would provide once a week curbside pick-up for the fee. Any extra pickup of garbage would be billed back to the customer. The county would pay maintenance of the existing village disposal site from general revenues. The existing service including the paper recycling program and toxic roundup would continue for the next year. The county would review the overall service in light of the county's new waste management system.
Gas utility	The village owns and maintains a natural gas distribution system. The village is a shareholder and a purchaser of gas from Gas Alberta for distribution and sale to its customers. Village staff provides 24 hour a day 7 days a week service in case of emergency. The village reviews the rate charged to consumers on a monthly basis.	The County of Thorhild Utilities Department would provide service in the village. The county is a shareholder and a purchaser of gas from Gas Alberta for distribution and sale to customers in the county. The county would provide 24 hour a day 7 days a week service in case of emergency. The county reviews the rate charged to consumers on a monthly basis.
Family and Community Support Services (FCSS)	The village FCSS program includes: ☐ assistance for seniors filling out forms; ☐ income tax preparation; ☐ handy-man service; ☐ grants to community groups; ☐ Community Emergency Preparedness Resident Leader Training Program; and ☐ snow shoveling.	The county would continue to offer the same FCSS programs and services as the village.

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Services and Community Issues	Current situation in the village	What residents can expect if the village joins the county
Recreation	The village maintains and operates the following community recreation facilities and programs: ☐ swimming pool; ☐ tennis courts; ☐ outdoor skating rink; ☐ campground; and ☐ parks and playgrounds.	The county supports the swimming pool with an annual grant and provides the property for the ball diamonds. The county would continue to offer the same recreation services as the village.
Library and museum	The municipal library operates from the village office complex 20 hours per week. A Thorhild Municipal Library Board runs the library and the village is a member of the Northern Lights Library System. The village pays the operation, maintenance, building insurance, and utilities for the building. The village provides a grant to the library for the wages of the librarian. Volunteers staff the museum, which is located in the village office complex. The village pays the building maintenance, utilities, and insurance.	The county and the village both appoint and fund municipal Library boards as required by the Libraries Act. Both the County and Village Municipal Library Boards are members of the Northern Lights Regional Library System. The county would continue to fund the village library through the County of Thorhild Municipal Library Board and continue to pay the building operation, maintenance and utilities. The county would continue the arrangements with the museum and pay the building maintenance utilities and insurance.
Newthorad Seniors Foundation	The village provides and administers a benefit plan for the foundation executive director and maintenance manager through the village's plan. The foundation reimburses the village for the cost.	The county may not be able to offer the same service but would offer a similar benefit plan. The foundation would reimburse the county for the cost.
Seniors Drop-in Centre	The Golden Age Society owns and operates the drop-in centre. The structure is located on village land.	The Golden Age Society would continue to operate the drop-in centre. The county would continue the same arrangements with the society.
Community Hall and Curling Complex	The building sits on village owned land. The Thorhild Community Association and the Thorhild and District Curling Club own and operate the facility. The village provides assistance by maintaining the grounds and parking lot.	The county would continue the same arrangements with the Thorhild Community Association and the Thorhild and District Curling Club. The county would provide assistance by maintaining the grounds and parking lot.

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Services and Community Issues	Current situation in the village	What residents can expect if the village joins the county
Thorhild Community Association loan	The village provided an interest free loan of \$65,000 to the Community Association in order to complete renovations to the complex. Repayment terms for the loan are \$6,500 per year until 2011. The current balance owing is \$50,800.	The Community Association would continue to repay its loan to the county under the same terms and conditions.
Thorhild and District Agricultural Society Arena	The arena sits on village owned land. The Thorhild and District Agricultural Society own and operate the facility. The village provides assistance by maintaining the parking lot and grounds.	The county would continue the same arrangements with the Thorhild and District Agricultural Society as the village. The county would provide assistance by maintaining the parking lot and grounds.
Riding Arena	The facility sits on village owned land. The Saddle Club owns the equipment and accessories. The village provides assistance by maintaining the parking lot and grounds.	The county would continue the same arrangements with the Saddle Club as the village. The county would provide assistance by maintaining the parking lot and grounds.
Sunflower Village Festival and Contest	The village hosts an annual Sunflower Village Festival and Sunflower Contest. The village contributes \$2,900 for the festival, and contest as well as providing the staff to coordinate and run the event. Donations and sponsorship also help with the cost of the sunflower festival and contest.	The county would continue support of the Sunflower Festival and Sunflower Contest by providing funding and staff to coordinate and run the event.
Volunteer Appreciation night	The village hosts an annual volunteer appreciation night. The village the pays approximately \$3,300 annually toward the cost of the event.	The county would host and fund an annual volunteer appreciation night.
Summer employment programs	The village prepares applications for summer employment grants, is the employer of record, and acts as the supervisor for the summer temporary staff on behalf of the following groups: ☐ Agricultural Society; ☐ Community Association; ☐ Historical Society; ☐ Lions Club; ☐ Library Board; ☐ Water Commission; and ☐ Thorhild Minor Sports.	The county would offer the same level of service to the community groups for the summer employment programs as the village.

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Services and Community Issues	Current situation in the village	What residents can expect if the village joins the county
Grants	The village accesses provincial and federal grant programs to assist with its operations. The village council sets priorities for the village.	The county accesses the same or similar provincial and federal grant programs. The village would lose the benefit of separate grants. The county council would set priorities for the whole county.
Insurance coverage for community groups	The village includes the following community groups as additional named insured on the village's insurance policy: ☐ Agricultural Society; ☐ Seniors Drop In Center; ☐ Historical Society; ☐ Library; ☐ Museum; ☐ Ukrainian Dancing Club; and ☐ Community Association. The village pays the premium and invoices the community groups for the cost.	The county would include the following community groups as additional named insured on the county policy: ☐ Agricultural Society; ☐ Seniors Drop In Center; ☐ Historical Society; ☐ Library; ☐ Museum; and ☐ Community Association. The county's insurer would not accept the Ukrainian Dancing club as an additional named insured on the county's insurance policy but would provide insurance to the club directly. The county would pay the premiums and invoice the community groups for the cost.
Power rates for village facilities	The village can purchase power from the Alberta Urban Municipalities Association (AUMA) power aggregation pool. The pool provides its members with the benefit of a negotiated price for electricity. The village includes the agricultural society (arena and ice plant) and the community association (community hall) in its power aggregation pool.	The county would not have access to the same AUMA aggregation pool. This may have an impact on the cost of power for all municipal facilities including the arena and community hall.

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Appendix 1

2003 residential tax rate comparison

Please note:

For comparative purposes, a mill rate of 2.369 was added to the village rates to account for the new 2003 debt payment. Similarly, a mill rate of 2.797 was added to the county rates to account for the new 2003 debt payment and the payment on the remaining bank loan.

Residential tax rate	Village	County
Municipal	17.951	10.6
Seniors foundation	0.391	0.422
School	4.926	5.167
Ambulance		0.158
2003 Tax Rate	23.268	16.347
Add:		
<i>Special debt rate</i>	2.369	2.797
Comparative tax rate	25.637	19.144

Conclusion:

The 2003 county residential tax rate was 30 percent lower than the village without the special debt rate and 25 percent lower with the special debt rate included.

2003 nonresidential tax rate comparison

Nonresidential tax rate	Village	County
Municipal	21.451	17.219
Seniors foundation	0.391	0.422
School	8.223	7.951
Ambulance		0.158
2003 Tax Rate	30.065	25.750
Add:		
<i>Special debt rate</i>	2.369	2.797
Comparative Tax Rate	32.434	28.547

Conclusion:

The 2003 county nonresidential tax rate was 14 percent lower than the village without the special debt rate and 12 percent lower with the special debt rate included.

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Appendix 2

2003 estimated residential tax comparison

The tables consider three actual residential properties in Thorhild. By applying the 2003 village and county tax rates to the assessments of these properties, residents can compare the expected property tax if Thorhild remains a village with the expected tax if Thorhild joins the county.

Please note:

For comparative purposes, a mill rate of 2.369 was added to the village rates to account for the new 2003 debt payment. Similarly, a mill rate of 2.797 was added to the county rates to account for the new 2003 debt payment and the payment on the remaining bank loan.

2003 estimated residential tax if Thorhild remains a village

Sample properties	2003 tax rate	Special debt rate	Total tax rate	Assessment	Taxes
Residential 1	23.268	2.369	25.637	\$94,980.00	\$2,435
Residential 2	23.268	2.369	25.637	\$59,390.00	\$1,523
Residential 3	23.268	2.369	25.637	\$20,230.00	\$519

2003 estimated residential tax if Thorhild joins the county

Sample properties	2003 tax rate	Special debt rate	Total tax rate	Assessment	Taxes
Residential 1	16.347	2.797	19.144	\$94,980.00	\$1,818
Residential 2	16.347	2.797	19.144	\$59,390.00	\$1,137
Residential 3	16.347	2.797	19.144	\$20,230.00	\$387

2003 estimated residential tax and utility fees comparison summary

Sample properties	If Thorhild remains a village	If Thorhild joins the county	Change	Garbage pickup	Net Change
Residential 1	\$2,435	\$1,818	-\$617	\$72	-\$545
Residential 2	\$1,523	\$1,137	-\$386	\$72	-\$314
Residential 3	\$519	\$387	-\$132	\$72	-\$60

Please note:

The estimated annual fee the county would charge residents for garbage pickup is included in the summary.

Conclusion:

Using county rates, the sample residential properties would pay between 12 and 22 percent lower tax and utility fees.

Please Note:

Residents should consider all the information in the report when making a decision.

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Appendix 3

2003 estimated nonresidential tax comparison

The tables consider three actual residential properties in Thorhild. By applying the 2003 village and county tax rates to the assessments of these properties, residents can compare the expected property tax if Thorhild remains a village with the expected tax if Thorhild joins the county.

Please note:

For comparative purposes, a mill rate of 2.369 was added to the village rates to account for the new 2003 debt payment. Similarly, a mill rate of 2.797 was added to the county rates to account for the new 2003 debt payment and the payment on the remaining bank loan.

2003 estimated nonresidential tax if Thorhild remains a village

Sample properties	2003 tax rate	Special debt rate	Total tax rate	Assessment	Taxes
Nonresidential 1	30.065	2.369	32.434	\$116,970.00	\$3,794
Nonresidential 2	30.065	2.369	32.434	\$87,030.00	\$2,823
Nonresidential 3	30.065	2.369	32.434	\$17,860.00	\$579

2003 estimated nonresidential tax if Thorhild joins the county

Sample properties	2003 tax rate	Special debt rate	Total tax rate	Assessment	Taxes
Nonresidential 1	25.750	2.797	28.547	\$116,970.00	\$3,339
Nonresidential 2	25.750	2.797	28.547	\$87,030.00	\$2,484
Nonresidential 3	25.750	2.797	28.547	\$17,860.00	\$510

2003 estimated nonresidential tax and utility fees comparison

Sample properties	If Thorhild remains a village	If Thorhild joins the county	Change	Garbage pickup	Net Change
Nonresidential 1	\$3,794	\$3,339	-\$455	\$72	-\$383
Nonresidential 2	\$2,823	\$2,484	-\$339	\$72	-\$267
Nonresidential 3	\$579	\$510	-\$69	\$72	\$3

Please note:

The estimated annual fee the county would charge residents for garbage pickup is included in the summary.

Conclusion:

Using county rates, the sample nonresidential properties would pay between .5 percent higher and 10 percent lower tax and utility fees.

Please Note:

Residents should consider all the information in the report when making a decision.

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What is the next step?

Alberta Municipal Affairs will conduct a public meeting to discuss the dissolution study on September 15, 2003 at 7:00 P.M. at the Thorhild Community Hall, 7-11th Avenue Thorhild.

A vote on the question of dissolution will take place on September 22, 2003 between 10:00 A.M. and 8:00 P.M. at the Thorhild Golden Age Drop-in Centre, 701 – 2nd Street, Thorhild.

The question on the ballot is:

“Do you wish the Village of Thorhild to dissolve and become part of the County of Thorhild No. 7?”

Alberta Municipal Affairs will administer the vote in accordance with the local Authorities Election Act.

Who can vote?

To be eligible to vote you must be:

- ☐ at least 18 years old;
- ☐ Canadian citizen;
- ☐ Resident of Alberta for the 6 consecutive months immediately preceding the vote; and
- ☐ Resident of the Village of Thorhild on the day of the vote.

What happens to the results of the vote and the study?

The results of the vote, issues raised at the public meeting and the information in the study will help the Minister determine whether to recommend to the Provincial Cabinet that the Village of Thorhild should dissolve and join the County of Thorhild No. 7.

If the Minister recommends dissolution to the provincial Cabinet, and the Cabinet agrees, the village council and administration would work with the county to wind up the village's affairs. The recommended date for dissolution would be December 31, 2003.

What will happen if the village does not dissolve?

The village would continue to provide services. The village council plans to continue its street paving program and to offer a number of residential lots for sale.

The county would continue to work cooperatively with the village.

Whom can I contact for more information?

Terry Broome or Michael Scheidl at Alberta Municipal Affairs toll-free by dialing 310-0000 and asking for 427-2225.